

§ 256.3

(and for a child who would be a dependent child except for the receipt of benefits under Supplemental Security Income under title XVI or foster care under title IV-E), to the extent that such care is necessary to permit a member of an AFDC family to accept or retain employment.

(b) A family is eligible for transitional child care provided the following conditions are met:

(1) The family must have ceased to be eligible for AFDC as a result of increased hours of, or increased income from, employment or the loss of income disregards due to the time limitations at §233.20(a)(11);

(2) The family must have received AFDC in at least three of the six months immediately preceding the first month of ineligibility;

(3) The family requests transitional child care benefits, provides the information necessary for determining eligibility and fees, and meets appropriate application requirements established by the State; and

(4) The family ceased to be eligible for AFDC on or after April 1, 1990.

(c) Notwithstanding when the family requests assistance under this part, eligibility for transitional child care begins with the first month for which the family is ineligible for AFDC, for the reasons included in paragraph (b)(1), and continues for a period of 12 consecutive months. Families may begin to receive child care in any month during the 12-month eligibility period.

(d) The family is not eligible for child care under this part for any remaining portion of the 12-month period if the caretaker relative:

(1) Terminates employment without good cause, as defined in §250.35; or

(2) Fails to cooperate with the State IV-A agency in establishing payments and enforcing child support obligations, as defined in §232.12.

(e)(1) If the caretaker relative loses a job with good cause, and then finds another job, the family can qualify for the remaining portion of the 12-month eligibility period.

(2) If the family re-establishes eligibility for AFDC during this period, it could qualify for a new 12-month eligibility period if it met the necessary

45 CFR Ch. II (10-1-97 Edition)

conditions of eligibility (including the 3-of-6 month requirement).

§256.3 Fee requirement.

(a) The State IV-A agency must require each family receiving transitional child care to contribute toward the payment for such care based on the family's ability to pay.

(b) Each State IV-A agency shall establish a sliding fee scale which will provide for some level of contribution by all recipients.

(c) A State IV-A agency may vary the period of collection for different fee levels.

(d) The State IV-A agency may establish whether fees are paid to the providers or the State agency. In cases where the family's contribution is paid to the State IV-A agency, such contribution is subject to the program income requirements in §74.42(c), subpart F. Claims for Federal matching funds for child care expenditures shall be adjusted to reflect collection of fees under this part.

(e) Individuals who fail to cooperate in paying required fees will, subject to appropriate notice and hearings requirements, lose eligibility for benefits under this part for so long as back fees are owed, unless satisfactory arrangements are made to make full payment.

§256.4 Other provisions.

(a) The State IV-A agency, in providing transitional child care, must meet the requirements in §§255.3(a) paragraphs (1)-(5) and (7), (b), (c), (d), and (h); 255.5; and 255.6.

(b) The provisions on child care costs and matching rates at §255.4 shall apply to this Part, except in the case of Puerto Rico, Guam, the Virgin Islands, and American Samoa, child care expenditures under this Part are not covered as JOBS expenditures, but as expenditures subject to the limitation under section 1108 of the Act.

(c) The State IV-A agency must notify all families of their potential eligibility for transitional child care services under this part in writing, and orally as appropriate, at the time they become ineligible for AFDC. The notification must include information on the